

97-84045-19

Kauffman, Luther S.

The interest burden

Philadelphia

1891

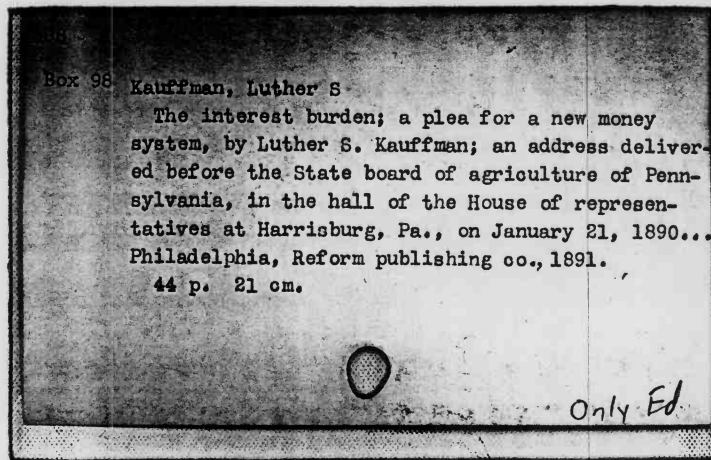
97-84045-19

MASTER NEGATIVE #

COLUMBIA UNIVERSITY LIBRARIES
PRESERVATION DIVISION

BIBLIOGRAPHIC MICROFORM TARGET

ORIGINAL MATERIAL AS FILMED - EXISTING BIBLIOGRAPHIC RECORD



RESTRICTIONS ON USE: Reproductions may not be made without permission from Columbia University Libraries.

TECHNICAL MICROFORM DATA

FILM SIZE: 35mmREDUCTION RATIO: 9:1IMAGE PLACEMENT: IA (IIA) IB IIBDATE FILMED: 3-7-97INITIALS: JBTRACKING #: 22149

FILMED BY PRESERVATION RESOURCES, BETHLEHEM, PA.

124
William B. Cooper,
Attorney at Law
517 Locust St.

The Interest Burden

308
Z
Box 98
A PLEA FOR A NEW MONEY SYSTEM

BY

LUTHER S. KAUFFMAN.

— — — — —
*An Address delivered before the State Board of Agriculture of
Pennsylvania, in the Hall of the House of Representatives
at Harrisburg, Pa., on January 21, 1890*

— — — — —
Published by
REFORM PUBLISHING CO.
Room 35, 1326 Chestnut St.
PHILADELPHIA

— — — — —
Sent to any address, postage paid, on receipt of price

One copy, 25 cents; five copies, One Dollar

— — — — —
1891.

The
Interest Burden

A PLEA FOR A NEW MONEY SYSTEM

BY

LUTHER S. KAUFFMAN.

*An Address delivered before the State Board of Agriculture of
Pennsylvania, in the Hall of the House of Representatives
at Harrisburg, Pa., on January 21, 1890*

Published by
REFORM PUBLISHING CO.
Room 35, 1326 Chestnut St.
PHILADELPHIA

*Sent to any address, postage paid, on receipt of price
One copy, 25 cents; five copies, One Dollar*

PRESS OF
THE CHARLES A. DIXON PRINTING HOUSE
Philadelphia, Pa.
1891

Entered according to the Act of Congress, in year 1891, by
LUTHER S. KAUFFMAN, of Philadelphia, Pa.,
In the office of the Librarian of Congress, at Washington, D. C.

Ms. Dec. 19. 1923.
The Interest Burden.

Mr. Chairman and Gentlemen :

We are living in eventful times. In all the previous centuries of the history of the world, none has been so filled with momentous events, far reaching in their results, and following each other in quick succession, as this nineteenth century in which we live. No prior century has seen such wonderful productions of inventive genius and mechanical skill; such grand results of scientific research; such rapid progress in the arts and sciences; such revolutions in public sentiment, resulting in political reforms of radical character, manifested and formulated into legislative enactment and constitutional amendment; such development of commercial, manufacturing and industrial enterprises, conducted upon such colossal scale as hitherto would never have been attempted. Truly, this nineteenth century is one of wonders—of wonderful conceptions and wonderful accomplishment—a century of centuries—unequaled and unexcelled.

But all the amazing results of the activities of the past and present are but an augury of the greater achievements of the future, and of the grander victories yet to be gained by the peoples of all lands in their struggle for right and against wrong. All the nations of the earth, in a greater or lesser degree, seem to be animated with the characteristic spirit of the century—reform, development and progress; with a widespread and ever increasing restlessness and dissatisfaction with existing conditions in social, political and industrial life and legislative policy, resulting in desire for radical reforms therein. It seems as if the spirits of the great thinkers, patriots and statesmen of the past are being permitted to come back from the land of shadows to make themselves felt once more on earth by impressing their thoughts upon kindred souls now in this life, inspiring them to heroic deeds in the cause of humanity and justice.

In this grand development of the material resources of the earth, and the breaking down of false theories of government, and of social, industrial and political life, and in the substitution thereof of correct principles and their development and application for the good of the whole people, our own country stands pre-eminent among the nations of the earth. We glory in the history of our land. We recount with pride the growth of our country from a few scattered colonies, a little more than a century ago, with but three millions of people, to a great nation of more than sixty millions of people, and with a territory stretching from the Atlantic to the Pacific, and from the Gulf on the South to the shores of the frozen sea of the North. We boast of our institutions and our free-

dom; our achievements in peace and in war; our progress in government, in resources, in wealth; our growth in importance among the nations of the earth.

But while we thus boast of the past history of our loved land, and take pride in its grand development, it is folly for us to shut our eyes to the dangers which threaten the public peace and welfare, the safety and prosperity of the citizen, and the existence and continuance of free institutions and free government. What matters it how glorious a past history we may have, if, finally, internal corruption or false governmental policy involve government and people in irretrievable ruin? Where will freedom be in this wide world, if free government here should end in ruin? Here, free government is on trial. The destinies of the world—the fate of the oppressed in all lands—are inseparably linked with our future. As Emerson has well said:

"We live in a new and exceptional age. America is another name for opportunity. Our whole history appears like a last effort of the Divine Providence in behalf of the human race."

If this is true, then a tremendous responsibility rests upon us. If there are great evils in our midst—if there are great causes at work among us which are undermining the foundations of society, then to wilfully shut our eyes to these facts, and to ignore the existence of such dangers, would not only be folly—it would be unpatriotic—it would be treason to our duty as responsible citizens and members of a popular government.

Wendell Phillips said in one of his speeches against the slave system: "What is the duty of Christian citizenship? If the Norwegian boasts of his home of rocks, and the Siberian is happy in his land of perpetual snow; if the Romans thought the muddy Tiber was the favored river of Heaven, and the Chinese pities everybody born out of the Flowery Kingdom, shall not we, in this land of glorious liberty, have some thought and love for country? There is a power higher than the gubernatorial chair or the President's house. To preserve the institutions of our country we must recognize this power in our politics. The man who for party forsakes righteousness goes down, and the armed battalions of God march over him."

The true patriot is he, who, laying aside all partisan political feeling, and all vain-glorious boasting of past national achievements, will calmly investigate the true condition of the country and the people therein; and if he finds great public evils will search for their cause, and, when found, will then do whatever he can to remove them.

When we thus examine into the actual condition of affairs in our land to-day, what do we find? These facts, among other things:—

THE ARMY OF THE UNEMPLOYED.

1. *That to-day more than one million able-bodied men in the United States want work, and would willingly work, but can find no work to do.* These men are not tramps, but men who wait work. Is this mere assertion? Not at all. Let me give you a few facts on that point: In the year 1888 a merchant in the city of Lancaster, Pa., put an advertisement one time only in an afternoon paper, stating that he desired to employ a porter.

In less than twenty-four hours seventy-five men had applied for the position. Here were seventy-five men who had nothing to do and wanted work.

In the Philadelphia *Press* of July 29th, 1889, is an interview with an employer, in which he says: "I'm paying a graduate from New York Normal College seven cents an hour for work in my factory. She came to us in the summer vacations year after year, and did the regular rough-and-tumble manual labor of the factory with coarse, uneducated girls from everywhere. Finally, by accident, we discovered what she was and set her to clerical work." The partner in question says that an advertisement for women at fifty cents a day, *would crowd all the streets within three blocks.* Very evidently there must be many unemployed persons, or such an advertisement would not attract such crowds.

The Commissioner of the Bureau of Labor of Connecticut, in his annual report for 1887, page 43, says: "It was the hope of our legislators that, by the increase of factories and mills, work could be given to all who asked for it. This was adequate in times past; but now it is not so. There is a 'glut in the labor market.' With crowded Europe to draw from, this was to be expected. Now there are more workmen than places to work. That has meant a reduction in wages, and a lowering in style of living to the laborers. It means a restriction of his liberty. Necessity compels him to work, and he can have little or nothing to say as to the price of his labor." . . . "Competition has cut profits down to quick and wages to the bone. Laborers are plenty, places not so plenty. It is a new state of affairs, and will demand, probably, much more radical legislation than we will at first be willing to give."

The Massachusetts Bureau of Statistics of Labor in its report upon the unemployed (Eighteenth Annual Report), says:

"As the essential result of this investigation, it may be stated, then, that out of a total of 816,470 persons employed in gainful occupations in this State, 241,589 or 29.59 per cent. were unemployed at their principal occupation, on an average, 4.11 months during the census year, the average unemployment for persons engaged in manufactures, pure and simple, being 3.90 months; in short, that about one-third of the total persons engaged in remunerative labor were unemployed at their principal occupation for about one-third of the working time."

Hon. Chas. F. Peck, Commissioner of the Bureau of Statistics of Labor of New York, in the Fourth Annual Report, says on page 25:—

"It would be an almost impossible task to arrive at the true number of unemployed, or even at a fair percentage, in a large city like New York. No attempt was made to secure it. For the purposes of this report, it was only deemed advisable to show the falsity of the almost universal opinion that there is 'work for all,' and to keep strongly in mind the fact that whatever is done must be done with this thought before us. . . . Nothing can be said of the vast army of unemployed mechanics who did not advertise. In many trades, particularly where there are no unions, the out-of-work members float quietly upon the surface, and but few know or care how they exist. They may get one day, or two days, or three days' work, or a week, or none at all. This class

never advertise for work, preferring to walk around and ask for a job."

And again, on page 37, he says:—

"Several articles appeared in the editorial pages of the New York *Herald*, which furnished additional proof that there is a great army of unemployed in all our large cities. The articles referred to called attention to the fact that a single advertisement for a clerk or salesman in that paper frequently drew responses from as many as two and sometimes three hundred searchers after work in a single day. . . . An advertisement in the New York *World* for a steward at a small salary, drew a crowd of over two hundred honest searchers after work to the doors of the club advertising. This sort of thing, according to statements made by leading journals, is not new, and occurs in one way or another almost daily."

And again he says, on page 24 of the same report:—

"There must be some reason for this condition of affairs; this deplorable spectacle of strong men living in enforced idleness, families without food and clothed in rags, if want of work is not at the bottom of it. Is there work for all? Are not the laborers crowding each other under the existing conditions, and, sad, to say, are they not in their turn crowded out by the boys and girls? This lack of employment, this unsteady and irregular work, is, I repeat, at the bottom of it all."

POPULATION DEPENDENT ON THE UNEMPLOYED.

2. *That, as a result of this want of employment, large numbers of women and children, depending upon these unemployed men for support, lack the food and clothing they ought to have, and which they would buy if they had the money to buy them.* Upon each man unemployed it may be safely estimated that there are dependent five persons—women and children: so that if there are one million of unemployed men, there are dependent upon them for their subsistence five million women and children who because of this want of employment of their protectors lack the ordinary necessities of life: and this in a land blessed with abundant harvests and inexhaustible resources. We hear much about over-production in various lines; and trusts and combinations are formed to limit production and maintain prices; but while these stocks of goods accumulate, here among us are five million people who need the goods, but cannot get them for want of money. This cry of "over-production" is all nonsense. What troubles the country is *under-consumption*. There can be no "over-production" as long as so large a number of our fellow-citizens are suffering for the want of the productions of our mills, factories, mines and farms.

DOWNWARD TENDENCY OF WAGES.

3. *That the tendency of wages everywhere in the land is downward; so much so, that if it were not for the resisting force of workmen's unions, the lowest level of the pauper wages of Europe would soon be reached, if, indeed, that level has not, in some cases, been already reached. Is it necessary for me to produce proofs of this fact? The testimony is too voluminous to introduce here; but think of the condition*

of the country when women must work from early dawn till late at night, from Monday morn until Saturday night, for the miserable pittance of two to three dollars per week; when strong, able-bodied men, with families to support, must work a whole week for the paltry sum of \$4.00; when a great railway corporation issues a general order fixing the wages of its common laborers at eleven cents an hour, and making eight hours a day's work, thus enabling the man to earn eighty-eight cents a day. How do these men and women live? God only knows. Why should these things be in this land of wealth and plenty?

The Lancaster *Inquirer* of September 21st, 1889, says:—

"After a careful investigation the New York *Sun* estimates that there are in that city 40,000 workingwomen receiving wages so low that they must embrace vice, apply for charity, or starve."

And is this the most prosperous and favored country on the face of the globe, as we are often told? Is this the Christian civilization of which we boast?

Rev. George D. Herron, in an article in the *Statesman*, December, 1889, entitled "Causes of Social Discontent," says:—

"Statistics, so far as attainable, show that the average workingman's wages are not much, if any, over two-thirds of the amount needed to give his family a reasonable support. This means that the average workingman cannot get ahead of, nor even keep pace with, his daily necessities; it means that his family must help earn their living. In the prosperous Western State of Wisconsin, during the year 1886, over fifty-nine per cent. of the laborers employed in the various manufacturing and industrial pursuits were children under fourteen years of age."

A recent item in the papers states:—

"Miss Frances E. Willard, in her walks about Chicago, has discovered women who make shirts for seventy-five cents a dozen and furnish their own thread. She also finds children working twelve hours a day for a dollar a week. Alas! that gold should be so dear, and flesh and blood so cheap."

DISCONTENT OF INDUSTRIAL CLASSES.

4. *That, as a consequence of the preceding facts, the workingmen of the land are pervaded by a spirit of discontent with their condition.*

One evidence of this discontent can be seen in the number of strikes. Thus, the United States Commissioner of Labor, in his Third Annual Report, page 12, reported that in 1886 there were in the United States 1411 strikes, affecting 9861 establishments, with 499,489 employees.

Hon. Samuel M. Hotchkiss, Commissioner of the Bureau of Labor Statistics of Connecticut, in his report for 1887, says:—

"The worst feature connected with this class at present is their lack of hope. They see nothing better ahead. If they are intelligent, and possess the wants and desires that accompany intelligence, they grow discontented with their condition. Under the present methods of industry they see no way of bettering their condition."

In the same report, on page 312, Mr. Herbert C. Baker, of Hartford, Conn., President of the Connecticut Land and Labor League, says:—

"That there is a rapidly growing discontent among the laboring people is a fact so self-evident, in the light of the present day, as to need no effort at demonstration from me. And this discontent is by no means confined to the wage-workers, but pervades the whole industrial classes—farmers, manufacturers, merchants, and professional men alike. Nor is it confined to any particular section. It is as noticeable in the South and West as it is in the Eastern and Middle States; all over our country may be found this same unrest. Thousands have lost and are losing their dearly earned property. The so-called middle classes are hardly earning their expenses; in fact, most of them are growing poorer. Over one million and a half of workingmen are unable to procure employment; many are working only half time and at reduced wages, with the enslaving consciousness of their utter helplessness in case the owners of the means of production should decide that they could not profitably employ them any longer. Starvation is of common occurrence; suicides were never so frequent; crimes are being committed for the simple purpose, in many cases, of finding food and shelter in some prison. Beggary, which formerly was almost unknown in this land of plenty, is daily becoming more prevalent. The number of people who receive public charity has increased many fold in the past ten years. The spirit of the people is gradually being crushed, and gloom or despair is taking hold of the masses."

DECLINE IN FARM VALUES.

5. *That, in all the older States, at least, the values of farm property (except in the vicinity of active commercial centers) are continually decreasing;* so that to-day, even in Lancaster County, Pennsylvania, it is said that not unfrequently when a well-improved farm is sold, the price obtained will not pay for the improvements—so that really the land brings nothing. Let me give a few instances of this depreciation of farm values. At the meeting of the Lancaster County Agricultural Society, in January, 1889, Mr. Levi S. Reist "called the attention of the members to the great depreciation in the value of property in this county. He instanced one tract of thirty acres of land, bought a few years ago for \$9000, and sold recently for \$6000, and a mill property that cost \$27,000, sold for \$8000."

In the Philadelphia *Press* of October 7th, 1889, was a special despatch from Lancaster, as follows: "Real estate is not bringing large prices in Lancaster County this year, and in some instances the depreciation is startling. A farm was sold in Strasburg Township last week for \$173.50 per acre, for which \$280 per acre had been offered at public sale last year, the offer being refused and the farm withdrawn. A farm in Rapho Township, for which \$18,000 was paid, cannot find purchasers now at \$10,000."

In the Philadelphia *Press* of December 3d, 1889, in an editorial, "The Fall in Farm Values," the editor says:—

"In the New England States it has reached a point where farms are constantly offered for the cost of the buildings and fences on them, so that the land is practically given away, if any one will pay for the bare

cost of improvements. The collapse has been less complete in the Middle States, but we do not suppose any well-informed person will place the loss in farm values, as compared with the prices fifteen years ago, at less than thirty per cent. We should be glad to believe it was no greater. In only too many instances it reaches fifty per cent. Bankers know only too well how frequently this shrinkage has sunk below the line which once represented the mortgage value. . . . We do not believe any economic question is of greater weight and interest to-day than this change in farm values. It demands and deserves the closest and most careful investigation. Unless the Pennsylvania farmer wishes to see the forest invade the farm, as it has in New England, the cause for this great depreciation must be investigated and a remedy proposed."

In the *New Era*, of Lancaster, Pa., of October 23d, 1889, is this editorial item:—

"The sale of a hotel and ground in the village of Rothville for \$2500, on last Saturday, for which \$5100 was bid and refused five years ago, seems to indicate that there has been a decline in the price of real estate in Lancaster County, despite the contrary assertion of a learned contemporary."

The *New Era* also says, editorially, in its issue of December 10th, 1889:—

"That agriculture here in the East is in a depressed condition is only too true. That farm lands have depreciated only an idiot will deny. The correct thing to do seems to be to learn how all this came about. We cannot apply a remedy until we know what the disease is. It is silence, not publicity, that can deceive the public."

And in another item in the same issue, the editor says:—

"More farmers have been sold out by the sheriff in Berks County during the past two years than during the previous twenty years. That shows the extent to which the farming interests have suffered in recent years. It would seem the part of wisdom to ferret out the causes that have led to this condition of things, instead of trying to hide them."

In other States, also, has this decline in farm values been noted. In *The Nation* of November 21st, 1889, a correspondent, writing on this subject, says:—

"I will now supply a specific illustration of the market value of the better class of Massachusetts farms, giving names and places. There is now a farm for sale—the Foster Farm, on the Cold Spring Road, a mile distant from the most beautiful village in New England—Williamstown, Berkshire County, and within two miles of the station, at which twenty passenger trains a day stop. To the station runs one of the best of Berkshire gravel roads, and upon an almost continuous down grade. The farm has, I believe, twice taken a premium as the best managed farm in the town. . . . The farm contains 106 acres, and has upon it the well-known New England farmhouse, and ten farm buildings. All of these buildings have been kept painted, and are in good condition. The farm is well fenced, chiefly post and board. This farmhouse, these ten farm buildings and the fences, probably could not be replaced for \$10,000. In their present condition I call them fairly worth \$6500. Yet this farm,

to which a good farmer has given a lifetime of intelligent care, has been offered to me, and can be bought by anybody, for that amount. In other words, if you will pay the owner what the buildings and fences are reasonably worth, or two-thirds of what they actually cost, he will give you 100 acres of good land, in high cultivation, *for nothing.*"

The same correspondent says in closing:—

"Yet the last act of the New England farmer is not unworthy of his sturdy and upright lineage. He faces the situation, and closes his accounts, and pays his debts like a man; it is the business which has become bankrupt, not he. When we remember how hard it is for any of us to give up an undertaking on which we have spent time and money, or to throw away a foolish purchase, instead of storing it in the attic; and when we consider how the poor of this world cling to their poverty, how the peasants and crofters of other races obstinately hold fast to their small holdings, and divide and subdivide their insufficient farms, only to entail intenser misery on their descendants, we must acknowledge that there is something grand in the farmer of these mountain towns, who, rising to the heroic treatment of his case, turns away from the fields and fences upon which he has toiled through the better part of his life, and by a decree as unalterable as the laws of the Medes and Persians, writes upon the closed door, *Abandoned.*"

The Commissioner of Agriculture of New Hampshire issued a circular, dated October 14th, 1889, in which he gives a "Price List of Abandoned Farms in New Hampshire." This list contains descriptions of nearly three hundred such farms. The Commissioner says:—

"These are unoccupied farms, and have been reported by the selectmen of the various towns to have fairly comfortable buildings. They comprise but a small part of the abandoned farms of the State. . . . We desire to here briefly state that in most instances these farms have not been abandoned because the soil has become exhausted, or from the lack of natural fertility, but from various causes appearing in the social and economic history of the State."

Many of the farms named in this list can be bought at \$5 per acre.

Appropos of the discussion about abandoned farms in New Hampshire and Vermont, a correspondent of the *Christian Union* reports that within four miles of Brooklyn, Conn., there are twenty-seven such farms, containing from 10 to 200 acres each, and says that "most of them can be bought for half the value of the land, and the buildings free."

On page 44 of Minutes of State Board of Agriculture of New Jersey, Judge Forsythe says:—

"The farm lands of the State are depreciating daily and hourly in value. They have depreciated so much they will not to-day bring as much as the lands in Nebraska and Kansas. I am speaking of a fact that came home to myself. Less than a year ago I bought a farm for \$9000, and the buildings on that farm were valued for insurance at \$6300, and the fencing on the property must still be deducted from the balance. Taking the cost of buildings and the cost of fencing from the cost of the property, and how much does it leave for the land? Not as much as land in Kansas and Nebraska, Iowa or Colorado."

The State Assessors of the State of New York, in their report for 1889, say:—

"We find a general decline in the value of farm lands. We have visited fourteen counties—Monroe, Erie, Chautauqua, Cattaraugus, Shengango, Broome, Delaware, Sullivan, Franklin, Clinton, Essex, Washington, Warren and Albany Counties. In all we find the same condition of affairs. City property is increasing in value, while farming property is growing less and less valuable. *I cannot see any way for it to improve, and in a few years you will see more tenement farmers than anything else.* I don't see how these insurance companies that have advanced money will ever get out whole. No one wants to buy farm lands here. They can't get their money out of them. . . . In Washington County I had an illustration of the receding value of farming land. A man took a mortgage for \$10,000 on a farm just after the war. He has held it ever since, and to-day will take \$8000 for the entire farm, after foreclosing the mortgage."

Dr. Thomas Welsh, lecturer of the State Grange of Maryland, in his report at the annual meeting of the Grange in December, 1889, said:—

"We see lands in our section valueless as a marketable commodity. The farmers of the best counties in Maryland are not now looking for profits, but have been struggling for years to make both ends meet, and living in hopes that a better day may come."

FARMING NO LONGER PROFITABLE.

6. *That, farmers generally complain that there is no longer any money in farming;* so little, indeed, that where a farmer becomes involved in debt, the future becomes hopeless for him; and, as a rule, it is only a question of time when the sheriff steps in to close him out under the mortgage.

In the *Philadelphia Times* of January 19th, 1889, is this item:—

"Reading, January 18th.—The Sheriff's office here is full of bills advertising the property of various farmers for sale. No sheriff for years has been as busy as the present incumbent. It is estimated that he levied on the farms, stocks and agricultural implements of thirty to thirty-five farmers in this county in the last few months. Farmers say that farming no longer pays, and that they are obliged to go under. Farms which were purchased a few years ago for \$175 per acre, now sell for about \$125."

In the *Philadelphia Press* of January 28th, 1889, is a special telegram from Reading, as follows:—

"The increase in the business in the Sheriff's office continues to attract attention here. At no time since the effects of the panic of 1873 wore off, have there been so many executions and sales. On Saturday last, judgments aggregating \$32,000 were taken for want of affidavits of defense, the largest amount taken on any rule for many years. The sheriff has at present thirty real estate sales advertised, among them many farms. . . . For several months the number of sheriff's sales has averaged more than four times as many as during the same months last year."

This condition of affairs is not peculiar to the Eastern States. Similar facts are observed in the Western States also.

The *Lever*, of Chicago, Ill., in an editorial, entitled "Startling Facts," in its issue of December 19th, 1888, says:—

"It is stated that a prosecuting attorney of a certain county in Kansas foreclosed eighty farm mortgages during the single month of October last. These mortgages were held by Eastern capitalists, and the title of those eighty farms went from the men who had toiled for years to make homes for themselves and their families to those Eastern money kings, while the farmers went out into the world penniless."

"According to a recent report made by the Bureau of Labor Statistics, about 90,000 farms in Illinois are covered with mortgages amounting to about \$123,000,000. As each year makes it more and more difficult for farmers to pay off these mortgages, the fair presumption is that these 90,000 Illinois farms will soon become the property of Eastern money kings. . . . What do these things mean? Why is it that the money kings of the East are so rapidly becoming the land kings of the West? Why is it that the very granary of the nation is so rapidly becoming impoverished? The West is intrinsically the richest portion of the country. Other things being equal, the East ought to pay tribute to the West. Why is that the most sterile, unproductive portion of the country should be the home of the money lords, while the rich valley of the Mississippi is plastered all over with mortgages?"

Hon. Thaddeus B. Wakeman, in the November (1889) number of the *Nationalist*, says:—

"The American, like the agriculturist of old, has become, or is fast becoming, a dependent, if not a serf. . . . In 1860 the farmers had one-half of the wealth of the country. They constituted one-half of the population. Between 1860 and 1880, as the records show, they added \$4,122,588,481 to their possessions. But, during the same period, the other half of the population added \$23,359,791,751, or five to one of theirs. As the farming population largely increased during that time, it would not be difficult to show that the average of loss and gain in respect to property was against it. . . . Of the blight that has fallen upon the agricultural interests of the country, there could be no stronger proof than the extent of the business latterly done in farm mortgages. It is a terrible traffic. The mortgages that are sold are really written in blood. They represent the sweat and tears of a prolonged but utterly hopeless struggle. . . . All the world pities the poor Irishman, who, because he can't pay the 'rent,' is evicted from his holding; but wherein is his case harder than that of the American farmer, who, because he can't meet the interest, is dispossessed of his home, with the loss of all his investment?"

Under such a condition of affairs, many a farmer, in Pennsylvania and in other States, finds himself in the condition of the lonely man described by Will Carleton:—

"And the children left and scattered, when they hardly yet were grown,
My wife she pined and perished, and I found myself alone.
What she died of was a 'mystery,' and the doctors never knew;
But I knew she died of mortgage—just as well's I wanted to.

"If to trace a hidden sorrow were within the doctor's art,
They'd a-found a mortgage lying on that poor woman's heart.
Worm or beetle, drought or tempest, on a farmer's land may fall,
But for first class ruination, trust a mortgage 'gainst them all."

INCREASING INDEBTEDNESS.

7. *That both individuals and municipalities are becoming more and more involved in debt with the consequence of increasing burdens of annual interest and taxation, to be drawn from the products of industry.* The aggregate amount of this debt is alarming.

Col. J. A. Price, of Scranton, Pa., in a paper read before the National Board of Trade at its meeting in Washington, D. C., said:—

"A brief recapitulation of the lower estimates confined to this country alone supplies us with a table that should arouse both apprehension and attention, if we do not shudder before it:—

Present national debt, December 1st, 1887	\$1,675,816,660
State debts.....	226,597,594
County and municipal debts.....	821,486,447
Railway debts.....	4,163,640,144
Banking debts.....	4,581,706,203
Private banking debts.....	1,500,000,000
Recorded debts, mortgages, &c.....	6,000,000,000
Mercantile Debts	3,000,000,000
Individual debts, otherwise than above.	6,000,000,000
Aggregate.....	\$27,969,247,048

An amount that is greater than the half of the entire valuation of the country reported in the tenth census. In round numbers, and estimating the population at sixty millions, it shows that every man, woman and child actually owes \$465. These figures ought to make argument unnecessary, as they make eloquence tame. It would be well were we warned in time."

In the same paper he says:—

"Every fall of the sheriff's hammer, consequent upon the plots and counterplots of credit manipulators, by which values are fancifully created or ruthlessly destroyed, may be set down as a potent and a warning cry that the State is treating an unfortunate as a criminal, and inspiring a protest that must be recognized by some definite and radical relief."

Hon. A. H. Heath, Commissioner of the Bureau of Labor of Michigan, in his Fifth Annual Report, says:—

"We find a mortgage indebtedness of \$129,229,553.01 in the State, the annual interest amounting to \$9,451,851.24. . . . We can readily see where a large percentage of the surplus arising from the products of the farm is expended. *Interest must be paid.* . . . This vast amount of money paid in interest has its effect upon all the varied branches of industry, and in a measure is an explanation of the stagnant condition of trade. The financial conditions, as herein reported, are not confined to Michigan alone. In nearly every State may be found a counterpart." . . . "In fact, a very large proportion of the people seem to be in a financial rut, and are unable to extricate themselves."

INCREASING NUMBER OF FAILURES.

8. *That the financial failures are increasing at an alarming rate, both in number and amount: an evidence that a great panic is near at hand.*

The Philadelphia Press of July 8th, 1889, contained this editorial item:—

"The mercantile failures during the last six months, according to Bradstreet's reports, were 5918, against 5254 during the preceding six months, an increase of 12 per cent. There was an increase in all parts of the country except in the South, where the falling off was slight. The States in which the increased number of failures was greatest were Massachusetts, Iowa, New York, Texas, Pennsylvania, and several others in the West. The percentage of assets to liabilities is 48.6, against 53 last year, and the number of failures is the largest for six months in any year, except 1885, for nine years."

In the Philadelphia Times of November 2d, 1889, is published a carefully prepared list of 39 failures in Philadelphia in woolen manufacturers and dealers since November 1st, 1888. The aggregate liabilities of these firms amount to \$4,272,100, and assets of \$2,407,540.

CONTRACTION OF CURRENCY.

9. *That the currency is being rapidly contracted, so that business is becoming crippled and commercial enterprises embarrassed.*

This is being done in two ways: 1. By decrease in the circulation of the National Banks, who no longer find any profit in circulation. It does not pay them to invest their money in three per cent. bonds at present market price, and then depositing them in the Treasury at Washington, receiving only ninety per cent. of their par value in circulating notes, on which they must pay a tax of one per cent. per annum.

The amount of this contraction is seen in these figures from the report of the Comptroller of the Currency:—

Amount in circulation December 26th, 1873.....	\$341,320,256
" " " September 10th, 1889.....	128,450,600
Amount of decrease.....	\$212,869,656

2. The currency is further contracted by the large sum locked up in the Treasury at Washington.

The report of the U. S. Treasurer on November 1st, 1889, shows the following cash in the Treasury at that date:—

Gold held for gold certificates actually outstanding.....	\$120,937,229.00
Silver held for silver certificates actually outstanding.....	277,319,944.00
U. S. notes held for certificates of deposit actually outstanding.....	12,510,000.00
Cash held for matured debt and interest unpaid.....	8,466,082.66
Fractional currency.....	1,881.33
Held for redemption of United States notes.....	100,000,000.00
Fractional silver coin.....	22,737,899.90
Minor coin.....	154,730.47
Certificates held as cash.....	37,604,196.00
Net cash balance on hand.....	45,335,762.40
Total.....	\$625,067,725.76

This continued policy of contraction in both these directions can have but one result—financial ruin to the whole country. The danger of this policy has been indicated in the messages to Congress of both President Cleveland and President Harrison, as follows:—

"The simple and plain duty which we owe the people is to reduce taxation to the necessary expenses of an economical administration of the Government, and to restore to the business of the country the money which we hold in the Treasury through the perversion of Governmental powers. These things can and should be done with safety to all our industries."—President Cleveland's message, 1887.

"The collection of moneys not needed for public uses imposes an unnecessary burden upon our people, and the presence of so large a surplus in the public vaults is a disturbing element in the conduct of private business."—President Harrison's message, 1889.

The Director of the Mint, in his report for 1888, estimates the amount of gold and silver coin and paper currency in the United States on July 1st, 1888, as follows:—

	Gold and Silver Coin and Bullion.	Paper Currency.	Total.
In Treasury.....	\$594,533,172	\$110,943,959	\$705,477,131
In National Banks.....	105,435,492	195,930,460	301,365,952
In other banks and in general circulation....	392,461,299	685,334,290	1,077,795,589
Grand total.....	\$1,092,429,963	\$992,208,709	\$2,084,638,672

Thus, of the total circulation in the United States, fully one-half is locked up in the Treasury of the United States, and in the reserves of the National and State banks.

In 1865, the actual amount of currency, current as money among the people, was \$2,192,395,527. This was \$58 per capita of the estimated population at that time. But, now, if the actual amount in circulation is \$1,077,795,589, that would only be about \$17 per capita of our estimated population of 60,000,000; which shows a contraction of the currency in that time of about \$41 per capita. It is no wonder that farm values are declining.

Wendell Phillips in 1875 well said:—

"History is repeating itself. England never knew more prosperous years than from 1800 to 1820, during which she had neither gold nor wished to have it, nor promised to pay gold to any one whatever. . . . We had similar prosperity during the war, and after, on the same terms. In 1820, England, listening to theorists, tried to put this old wine into new bottles, and dragged her business back to methods a century old—to specie. Bankruptcy, the very history of which makes the blood cold to-day, blighted the empire. It took half a generation to recover from the mistake."

Peter Cooper, in writing concerning contraction of the currency, in 1878, truly said:—

"If crime is to be measured by the misery it produces, the act of taking from our people their money, and converting it into a national

debt, must rank as one of the most unjust and cruel acts ever known to any civilized legislation." "One thing is certain, that the public and private debts can never be paid by a governmental policy that shrinks the currency, destroys values, paralyzes industry, enforces idleness, and brings wretchedness and ruin to the homes of millions of the American people."

CHANGE IN SOCIAL CONDITIONS.

10. *That a great change is taking place in the social condition of the people.* Some mighty cause is at work—even in this free land of America, where labor is supposed to be better rewarded than in other lands—which deprives labor of its just and hard-earned reward, and which is rapidly causing the rich to become richer, and the poor poorer. We are unfortunately drifting rapidly into the condition of having but two classes in the community—the very rich and the very poor. The well-to-do middle class is being rapidly eliminated from our population; some few ascending to the richer class, while the larger number are descending to the poorer class.

That this is true is becoming apparent to all careful students of our social condition.

Rev. T. DeWitt Talmage has said:—

"The middle classes are diminishing, and we will soon have no middle class, for all will be very rich or very poor, and the country will be divided between princes and paupers, between palaces and hovels."

In *The Forum* for November, 1887, Mr. Edward J. Peters, in his paper entitled, "Should Fortunes be Limited?" says:—

"Taking the country through, one might designate twenty-five persons whose united wealth, according to current estimates, is not less than two-thirds of a billion of dollars, or about one per cent. of the total wealth of the United States, supposing this to have increased over fifty per cent. since the census of 1880. I see no reason to believe that the tendency to increasing accumulations of the upper end of the possessory scale has been reached, or is approaching its limit. In short, there are causes at work, under whose operation the prizes of economic life fall largely into the laps of idlers, or are held out as the rewards of barren or pernicious activities."

In a late number of the *Independent*, of New York, is this item:—

"It is estimated that there are five American citizens who are worth \$50,000,000 each; fifty worth \$10,000,000 each; 100 worth \$5,000,000 each; 200 worth \$3,000,000 each; 500 worth \$1,000,000 each; and 1000 worth \$500,000 each. These figures show that 1855 citizens of this country are worth \$2,850,000,000. Rather a startling estimate, isn't it? While less than 2000 persons control such an enormous volume of riches, don't forget that we have millions of citizens, who, if idleness were forced upon them for a month, would be in want of the ordinary necessities of life."

In *The Forum* of August, 1889, Mr. Thomas G. Sherman, in writing on this subject, says:—

"As lately as 1847 there was but one man in this country who was reputed to be worth more than \$5,000,000. . . . At the smallest reasonable estimate, there must now be more than 250 persons in this

country whose wealth averages over \$20,000,000 each. . . . We are confronted with the startling result that 31,000 persons now possess three-fifths of the whole national wealth, real and personal, according to the highest estimate (\$60,000,000,000) which any one has yet ventured to make of the aggregate amount."

In view of such facts, it is not surprising that the *Journal of United Labor* lately said:—

"It is a fact that admits of no argument, that the rich and poor are getting farther apart every day, and if the same policy is pursued in the future as in the past, it is only a question of time, and a short one at that, when we, like England, shall become a country of millionaires and paupers, with no middle ground; the one groveling in abject poverty, the other reveling in untold wealth."

Chancellor Howard Crosby has said (*North American Review*, April, 1883, page 346):—

"The danger which threatens the uprooting of society, the demolition of civil institutions, the destruction of liberty, and the desolation of all, comes from the rich and powerful classes in the community."

The Christian Union, of October 16th, 1884, said:—

"The great estates of Rome, in the time of the Cæsars, and of France, in the time of the Bourbons, rivaled those of the United States to-day; but both nations were on their way to the frenzy of revolution, not in spite of their wealth, but, in some true sense, because of it."

Rev. George D. Herron, in the *Statesman*, December, 1889, says:—

"While the rich are building brown-stone fronts, giving thousand dollar parties, erecting fashionable churches in the fashionable quarters of the town—and all the while growing richer—

'Slowly comes a hungry people, as a lion, creeping nigher,
Glares as one that nods and winks behind a slowly-dying fire.'

In the words of John Ruskin, there 'are voices of battle and famine through all the world, which must be heard some day, whoever keeps silence.'"

INCREASE OF CRIME.

11. *That crime is increasing at an appalling rate, and the country is being filled with an army of tramps—wicked, dissolute and desperate.*

The National Prison Association has compiled these facts on this subject:

"There are some 60,000 criminals in our prisons to-day, and there is little probability that the number will decrease. There are more than 100,000 criminals in the United States—an army large enough to battle for a nation's life.

The proportion of criminals to population has been in the past, and is now as follows:—In 1850, one to 3442 of population; 1860, one to 1657 population; 1870, one to 1021 population; 1880, one to 837 population. This is a sliding scale, indeed, and, following it down, we shall probably have in the year 1890 a criminal to every 600 or, perhaps, 500 inhabitants in the United States. In England they have but one criminal to 18,000 of population.

Hon. Francis Wayland, LL.D., of Yale College, read a paper on "Prison Reform" in the Lecture Hall of the Girard Building, Broad and Chestnut Streets, before the Philadelphia Social Science Association, on the evening of December 5th, 1889. He made the startling statement, derived from trustworthy data, "that there were at present 70,000 convicted criminals in prisons throughout the United States; that 250,000 other criminals were at large, living upon the community through various devices of villainy and fraud, and that the number was rapidly increasing every year. Each of these cost the community on an average \$2000 a year, thus entailing upon the honest people of the country the enormous expense of \$640,000,000 a year. This included the cost of courts, prisons, police, and all officials for the administration of justice, and the protection of public and private property."

These are serious facts to contemplate. As we face them, and consider fully their fearful import, we may well be alarmed for the future of this free land of America. If these facts are true—and they cannot be denied—then it is not true that "that within our own borders a general condition of prosperity prevails." . . . And "that the trade conditions now prevailing seem to promise a successful season to the merchant and manufacturer, and general employment to our working people."

That was the language used in the message of the President of the United States to Congress when it assembled in December, 1889. If these facts, to which I have called your attention, are true, then the President is sadly ignorant of them, or wilfully closes his eyes to them.

It was, perhaps, in contemplation of some of these possible results, that Abraham Lincoln wrote in one of his messages to Congress:—

"As the result of the war, corporations have been enthroned, and an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people, until all wealth is aggregated in a few hands, and the Republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before, even in the midst of the war. God grant that my suspicions may prove groundless."

That his suspicions have not proved groundless, the events of the past twenty years, and the actual condition of affairs now, amply testify. It seems as if his vision of the future had been prophetic. The crisis he foresaw and feared is upon us, and we must face it. The fact is, that the condition of affairs in our land has entirely changed in the last fifty years. Our marvelous growth in territory and population, the radical changes in the social, political and industrial character of our population, bring us face to face with new problems in this grand experiment of self-government; or, rather, we are brought now to face evils and wrongs, which, in the earlier days of the Republic, might have been thought insignificant, but which now have become dangerous and arrogant foes. It now remains to be seen whether these destructive forces, grown powerful and insolent by fattening on the rich blood of the public welfare, will destroy the Republic; or whether the people, in their sovereign power,

under free government, can successfully contend with and destroy these vampires.

CAUSE OF THESE EVIL CONDITIONS.

These evils are here. Their existence cannot be denied. What has caused them? The cause is not one, alone; but there are many causes which have led to these dire results. Like the devils mentioned in the Scripture, their name is Legion. Chiefly, however, they may be classified as follows:—

1. *False economic theories, resulting in vicious tariff legislation*, which permits and invites foreign manufacturers to sell annually in this market more than six hundred million dollars of manufactured goods, which should be manufactured by American workmen on American soil; which permits, invites and contracts for foreign pauper labor to come within our borders in great swarms, to compete with and to degrade, demoralize and pauperize our American workmen in their own homes; which collects an excessive revenue in such an unjust manner as to take the greater part from the small earnings of the poor laborers and producers, while the lesser burdens are borne by the rich non-producers.

2. *A legalized liquor traffic*—created, fostered and sustained by law—which wastes annually one thousand millions of dollars, filling the land with misery, pauperism and crime, and imposing enormous taxation upon law-abiding citizens; a traffic which is the enemy of every legitimate industry, and is perpetually at war with the best interests of society.

3. *The numerous "trusts" and monopolies*, which crush out legitimate competition in trade, and compel the people to pay increased and unjust prices for many of the necessities of life.

Dr. Josiah Strong, in his book entitled, "Our Country," says:—

"In a land of plenty, a few men may, at their pleasure, order a famine in thousands of homes. . . . The capitalist can arbitrarily raise the price of necessities, can prevent men's working, but has no responsibility, meanwhile, as to their starving. . . . We have developed a despotism vastly more exasperating and oppressive than that against which the thirteen colonies rebelled."

4. *The violent and arbitrary fluctuations in transportation charges*, by which the producer is deprived of the fair returns he ought to have for the products of his labor and his land.

5. *False financial theories, enacted into legislation*, which permits a few men, comparatively, to reap the fruits of the labor of the many, by demanding and compelling the payment of an unjust and excessive charge for the use of money; compelling communities and individuals to become mere slaves of the money-lender; to work early and late, and give up a large share of their earnings to meet the demands of the non-producing money lords.

From all these sources flow evils of appalling magnitude, which should receive the earnest consideration of every patriotic citizen. Much can be said concerning each of them; but while all are important, none

is more so than the last one—false financial theories, and its consequent result of a monopoly of money, ending in the interest burden; and to this theme I ask your attention.

AMOUNT OF THE INTEREST BURDEN.

What is the amount of this interest burden? Your attention has already been called to the enormous amount of public and private indebtedness now existing—nearly twenty-eight thousand millions of dollars—an amount more than half the entire amount of real and personal property in the whole country at the time of the last census. At an average rate of five per cent., the annual interest thereon would be *fourteen hundred millions of dollars.*

But taking only the estimated amount in that statement of mortgages and other debts of record, and debts due to banks, we have an amount of about twelve thousand millions of dollars. If the average interest thereon is six per cent., it would amount to a sum total of *seven hundred and twenty millions dollars.* What an enormous annual interest charge to be wrung from the proceeds of labor and productive industry! What a terrible burden that is!

The amount of mortgages and other debts of record in Lancaster County is about \$25,000,000. The annual interest charge thereon, at six per cent. per annum, is \$1,500,000. And this indebtedness is largely on the farms of Lancaster County; so that, out of the value of their products, the farmers of that county must pay more than a million dollars every year to the money lender. If they could save that money, would they not be that much richer, and have that much more in hand of the value of the products of their farms?

The amount of mortgages and other debts of record in the State of Pennsylvania is about \$400,000,000. The annual interest thereon, at six per cent. per annum, is \$24,000,000. Is that sum worth saving by the farmers of Pennsylvania?

The enormous drain of interest upon the farmers can be seen in this extract from the *St. Louis Republican* :—

"But when we learn that one-half of the value of Kansas farms (\$235,000,000) is owned by Eastern capitalists, and about one-fourth of the farms in the entire twelve Western States named is owned in the shape of mortgages in the East, we get some idea of the annual interest tribute which the West is paying to the wealthy East. It cannot be far out of the way to estimate that the one-fourth interest which the capitalist States of the East own in Western farms is equal to \$1,000,000,000, and that the unprotected crops on these mortgaged farms are paying every year \$80,000,000 in interest on the same.

"And this is not all: The aggregate debts of these twelve States is \$230,000,000, one-half of which, or \$115,000,000, is held in the East; and the railroad values in the same States aggregate \$3,000,000,000, nearly all of which—five-sixths, at least—is held in the East. Adding these several interests which the capitalist States of the East own in the property values of the West together, we have an aggregate of \$3,600,000,000, the interest on which is \$180,000,000. It costs Western farmers,

therefore, \$180,000,000 a year to pay the interest on the debts which the capitalist States of the East hold against the West."

What an evil excessive interest is! Admirably does the author of "Our Country" describe it :—

"No blister draws sharper than interest does. Of all industries, none is comparable to interest; it works all day and night; it gnaws at a man's substance with invisible teeth; debts roll a man over and over, binding him hand and foot, and letting him hang upon the fatal meshes until the long-legged interest devours him."

WHO PAYS THE INTEREST?

Who pays all this enormous annual interest charge? Labor pays it all; the producers of the land must bear the burden.

In the days of long ago, it was said that Jupiter had condemned Atlas to bear forever on his head and shoulders the earth and the heavens. The unfortunate Atlas is a fit representative of labor, for upon the head and shoulders of labor have been placed the burdens of supporting and enriching the non-producing classes of the whole earth. Labor is the great creator of wealth. Abraham Lincoln said :—

"Labor is prior to and independent of capital. Had not labor first existed, capital could never have existed."

Daniel Webster once said :—

"The producing cause of all prosperity is labor, labor, labor. The Government was made to protect this industry, and to give it both encouragement and security. To this very end, with this precise object in view, power was given to Congress over the currency, and over the money of the country."

Yes; labor pays it all; and as agriculture is the basis of all production primarily, the farmer pays it all. Is it any wonder that farmers and producers become impoverished when such a burden is imposed upon them, and so large a portion of their product is absorbed by the interest monster?

ACCUMULATING POWER OF INTEREST.

That the exactions of capital for interest have been a grievous burden upon industry has been recognized from time immemorial, and for this reason, in various States, stringent laws have been passed to prevent usury, and to fix a legal rate of interest at what was supposed to be a fair rate. As a rule, these laws have been ineffective; and even when effective, they simply limit, but do not cure the evil. When the rate has been so fixed at six per cent. per annum, it has been popularly imagined that the reasonable figure had been attained; but even that rate is far in excess of the actual earning power of the accumulated industry of the nation.

This is clearly seen in the following facts :—

According to the United States Census, the total property valuation, real and personal, in the United States was at the various periods named as follows :—

In 1789.....	\$619,977,247
In 1850.....	7,135 789,228
In 1860.....	16,159 616,068
In 1870.....	30,068 518,507
In 1880.....	43,642,000,000

Starting, then, with the amount of property in existence in the United States in 1789, \$619,977,247, and supposing that capital to be improved at six per cent. per annum, and compounded annually, we would have the following results:—

In 1850.....	\$21,678,701,269
In 1860.....	38,823,252,231
In 1870.....	69 526,531,829
In 1880.....	124,511,429,374

Thus, the capital of \$619,977,247, existing in the United States in 1789, placed at interest at six per cent. per annum, and compounded annually since that time, would, in 1880, have amounted to more than one hundred and twenty-four thousand millions of dollars—a sum greater by more than eighty thousand millions of dollars (\$80,869,429,374) than the entire value of all the real and personal property in existence in the United States in 1880.

All the remarkable energy of our people; all the accumulated industry, brains, skill and capital of our millions of citizens; all the marvelous products of our mines, farms and factories; all the wonderful increase in value of real estate in our centers of population; all the amazing development of the varied resources of our magnificent domain; all the immense additions to our territory by the Louisiana purchase and the Mexican treaties; all the appliances of inventive skill, and all the untiring industry of the most active and enterprising people on the face of the earth, have resulted only in ninety-one years in adding \$43,022,022,753 to the original capital of \$619,977,247 existing in 1789 in the United States, a sum short of six per cent. per annum upon the original capital by the sum of \$80,869,429,374.

Suppose that, in 1789, the people of this country had borrowed this capital of \$619,977,247 from a foreign nation, agreeing to pay interest at the rate of six per cent. per annum, compounded annually for ninety-one years, and at the end of that time a settlement would be made, what would now be the position of the country?

Simply this: the foreigners would own every dollar of real and personal property in the country, and then we would still be in debt in the enormous sum of more than eighty thousand millions of dollars; a sum so vast that it never could be paid even by sixty millions of people, under our present money system. We would be a nation of paupers, condemned to hopeless and endless slavery.

Let us take another illustration of the unjust accumulative power of money. Suppose that a man with \$10,000 in money came into your neighborhood, and offered to loan it out for one hundred years on these terms: that at the end of seventeen years the borrower should buy for the lender a farm worth \$10,000; and then cultivate that farm in same

manner, and at the end of the second term of seventeen years buy for the lender two farms worth \$10,000 each; and then cultivate all these farms; and so on for each term of seventeen years; and then, at the end of the one hundred years, the heirs of the original money-lender would come for their investment of \$10,000 and their acquired farms, what would be the result of such an arrangement?

At the end of 17 years the borrower would buy for lender	
1 farm worth.....	\$10,000
At the end of 34 years the borrower would buy for lender	
2 farms worth.....	20,000
At the end of 51 years the borrower would buy for lender	
4 farms worth.....	40,000
At the end of 68 years the borrower would buy for lender	
8 farms worth.....	80,000
At the end of 85 years the borrower would buy for lender	
16 farms worth.....	160,000
At the end of 102 years the borrower would buy for lender	
32 farms worth.....	320,000
63 Total.....	\$630,000

So that at the end of 102 years, the borrower would have to deliver to the lender, or his heirs, \$10,000 in cash, the amount originally borrowed, and sixty-three farms worth \$10,000 each, or a total of \$630,000.

What has the lender done to earn these farms?

Nothing; absolutely nothing.

What has the borrower done to enable him to deliver these farms?

Worked early and late; and enslaved and pauperized himself and descendants.

Whence came this money and these lands, now to be delivered to the money-lender?

From labor. The producer is robbed of \$630,000 to enrich the non-producer.

INJUSTICE OF THE INTEREST SYSTEM.

Think you, that there is any justice in a system which permits and legalizes such an outrageous robbery of labor?

A financial writer many years ago wrote truly:—

"This enormous percentage of interest on money has reversed the true order of nature; for the increase of the earth is the natural reward of labor, but the too great income power gives the reward to those who neither plant nor water, and often starves the laborers on the soil which their own hands have cultivated. By this exorbitant interest, the bounties of God are made a sacrifice on the altar of Mammon, and the poor are oppressed because they are poor, and in their toil there is little salvation from want and misery. This income power, established by the laws of nations, has not in the least altered the laws of production. Production has always been made by labor upon the soil, and by mechanics and artisans; but the unjust income power is a mere human contrivance, by which actual producers are made slaves to non-producing capital, and by which the few monopolize what the many produce by their labor."

It is in this way—by the accumulating power of money—by the ravenous demands of interest—that great fortunes have grown up among us—that the wealth of the land is in the hands of but a few persons, comparatively, and that the great mass of the people are but the slaves of great money lords, who wield a power more crushing to the toiling millions than the arbitrary deeds of the tyrants of the olden time. It is vain to talk of limiting by law these ill-gotten fortunes, wrung from the toil of the producing millions. That would be like attempting to cure a mad dog by cutting off his tail. Better far to effect a permanent cure by cutting off the head of the dog, and thus prevent mischief for all time to come. Rather than to limit fortunes by law after they are made, it would be better to so alter our money system, and so change existing economic conditions, that it will not be possible, under the new system, for such immense fortunes to be accumulated. *Remove the cause of the evil, and the evil will not come upon us.*

What justice is there in permitting the holders of money to thus realize so much more for their property than industry can earn, or than the owners of other wealth can earn? Why should the owners of money be invested by law with the powers of a monopoly? Why should the owners of that species of property be invested with the power to control the value of all other species of property, and not only to control, but also to absorb all other property? Why should there be a monopoly of money? Why should there be a heavy charge for the use of a measure of value, any more than there should be for a measure of weight, or a measure of length, or a measure of quantity? Would there be any reason in limiting the number of yardsticks to be used by the business community? Or in permitting only those to have and use yardsticks who could afford to have them made of gold? The people would revolt against any such monstrous proposition; and yet that is precisely what is now done in this matter of money—the measure of value.

There is no reason and no justice in the present interest charge for money. It is giving to money an undue proportion of the products of industry; it is impoverishing labor, making it more and more difficult for industry to improve its condition; and it is causing "the prizes of economic life to fall largely into the laps of idlers."

INTEREST RATES EXCESSIVE.

Not only is six per cent. per annum too high an interest rate, but so is five, four, or even three per cent. As a financial author of the past has well said:—

"It is impossible for the producers of a nation to pay three, four, or five per cent., or more, for the yearly use of property, and also furnish themselves with the comforts and conveniences of life. All the percentage collected for the rent of property, or as the interest on money, must be paid by sales of the yearly productions of labor, which remain over and above the support of the producers. If a very few rich men, in any civilized nation, should live frugally, and their posterity do the same, in the course of a few generations they would reduce to poverty nearly every other individual in the country."

TRUE CHARACTER OF MONEY.

Money is not property; it is, in its true meaning, only a representative of property; or, rather, a measure of the value of property. A yardstick is not cloth or calico; but it will measure a definite quantity of cloth or calico, or other material. So, a dollar bank note, or a greenback, is not, in its strict sense, property; it has no intrinsic value; the material it contains is practically without value; but is invested by law with the power to measure value, whether in land, metals, merchandise, or any other form of property.

The value is not in the representative or measure of value, but in the property which is represented. As a yardstick is a measure of length, a bushel a measure of quantity, a pound a measure of weight, so is a dollar a measure of value.

It makes no difference to the buyer of a yard of cloth whether it was measured by a yardstick of gold, silver, brass, wood, or any other material, but it is of great importance to him that the length of the yardstick, of whatever material it may be composed, shall always be the same. The price of the cloth he buys may justly vary, but the yard—the measure of length—must always remain the same. So, too, should the price of property justly vary, as all commodities do, but the dollar—the measure of value—should always remain the same. But, under our present money system, it is not so; the measure of value does not remain the same—it is perpetually changing.

To-day money may be worth six per cent. per annum, and to-morrow may come a financial flurry; the banks refuse to discount, and call in their loans, and business men are compelled to pay large extra rates for the use of currency—for the use of exchangeable representatives of their own property. The variable value of the dollar is constantly shown by the varying rates of interest. Unquestionably, if there could be established a uniform and fixed rate of interest, and that rate be only the cost of manufacture and distribution of the currency, the value of the dollar would always be the same; for it is clear that money, as a measure of value, is controlled by the rate of interest which it bears.

The injustice of this variable value of the dollar by variable and excessive rates of interest is well stated by a financial writer of the past in this illustration:—

"Suppose a surveyor owns his chain to measure land, and, when appointed by the Government a public measurer of land, he should say to one needing his services, 'The chain is mine, and I will stretch it out to double its legal length, if you will give me so much for measuring.' To another he should say, 'I will contract so much, if you will pay me for it; the chain is mine, and have I not a right to use it as I please? Who has any right to dictate to me what I shall do with my property?' Now, the length of the chain being altered one-third, does not more effectually alter the quantity of land measured than adding one-third to the interest on money alters every contract based on money, and the public measurers of land would have as good right to use their chains in this way as a man loaning money has a right to alter the interest on the money."

THE JUST RATE OF INTEREST.

Money, then, being simply the measurer of value, interest is but the charge for the use of that measure.

What ought that charge to be?

Simply the same charge which is made for other measures; that is, *the cost of the material, manufacture and distribution.* When you buy a yardstick, what do you pay for it? Only the cost of the material, its manufacture and distribution.

When you buy a bushel measure, what do you pay for it? Only the cost of the material in it, its manufacture and distribution.

So it is when you buy other measures. So ought it to be when you buy measures of value—money; that is, when you borrow \$1000, or other sum, the charge for it ought only to be *the cost of the material in it, the cost of the manufacture, and the cost of its distribution.*

INTRINSIC VALUE NOT NECESSARY FOR MONEY.

It is immaterial of what material the money is made. It is not not necessary that it should have intrinsic value; it is only necessary that it be convenient for the purpose, and that it be invested by law with the power of money to measure values and pay debts. The great folly of our present system is that we are the slaves of gold. We have made that metal the supreme arbiter of all values; the only measurer of value; the single standard by which the values of all other property of every kind must be measured. The result has been that as the amount of gold in the world, used as money, remains about the same, from year to year, the value of the productions and accumulations of industry is constantly being lessened in order to conform to the insatiable demands of the gold standard. A tyrant of the olden time had a bed in his castle, in which he was wont to put his visitors. If the legs of the visitor were too short to fit the bed, there was a nice infernal machine attachment to the bed, by which the legs of the unfortunate occupant were stretched out to the required length; while, if the legs were too long for the bed, another nicely adjusted attachment cut off the surplus length of legs. Thus, whether long or short, the occupant of the bed was made to fit the bed. Little cared the tyrant how it affected the poor man in the bed! All he cared for was how to reduce every man to his fixed standard! So is industry treated by making gold the sole and only measurer of value. It is all very well for the owner of the gold. But it is death to the tortured body of industry. Years ago, that clear thinker, Edward Kellogg, said:—

"The common opinion that the material of a currency must be something scarce and difficult to procure, that the limited amount may render it permanently valuable, arises from a misconception of the nature of money, the properties of which are entirely independent of the material. Money consists in the legal powers to represent, measure, accumulate, and exchange property and products. It receives its powers from law. . . . The value of money, then, depends upon its power to represent, measure, accumulate, and exchange value. These powers, given to any convenient material by Congressional enactment, will qualify it for a medium of exchange, and in every particular constitute it money."

That coin is not necessary for money, and that the people really prefer paper money, is seen in the history of our present silver currency.

President Harrison, in his message to Congress, December, 1889, says:—

"The total coinage of silver dollars was, on November 1st, 1889, \$343,638,001, of which \$283,539,521 were in the Treasury vaults; and \$60,098,480 were in circulation. Of the amount in the vaults, \$277,319,944 were represented by outstanding silver certificates, leaving \$6,219,577 not in circulation, and not represented by certificates."

What the people are paying for the privilege of having a gold basis stored in the vaults of the Treasury, to provide for the improbable call for the redemption of the outstanding greenback currency, is thus stated in the report of Secretary Windom to Congress, in December, 1889:—

"The Government, having assumed control of the currency of the country, is bound, at whatever cost, to supply a circulating medium which is absolutely sound. This duty has been fully recognized in the case of our legal-tender notes, by the sale of \$100,000,000 of 4 per cent. bonds, in order to provide that amount of gold, which now lies in the Treasury, as a reserve for their redemption. We have already paid out \$40,000,000 interest on these bonds, as the portion of the cost of maintaining the outstanding \$346,000,000 of United States notes, and we are still paying \$4,000,000 a year for that purpose."

"What fools we mortals be!" What abject slaves of gold we are! We worship this golden god on bended knees, and with bated breath, and then pay \$4,000,000 a year to "bloated bondholders" for the exalted privilege of thus making fools of ourselves. Wring four millions a year from the toilers and producers of the land, for the purpose of piling up one hundred million dollars in useless gold in the national treasury!

No, we do not need gold or silver as a basis for currency; nor do we need to pay out such enormous sums in interest to provide a sound currency. All that is necessary is for the Government to stop issuing any credit money whatever, whether made of gold, silver or paper; and instead thereof to issue all the currency that may be needed based on the security of any good property, real and imperishable, whether gold, silver or other metals, or farm property, or other real estate; *such currency to be an absolute legal tender for all debts, public and private; and to be issued to the people on proper security, at the cost of the material, cost of manufacture, and cost of distribution.*

SOLUTION OF THE PROBLEM.

Here is the solution of the whole problem of the interest burden.

There is a monopoly of money impoverishing the producers of the land. Let us at one fell blow destroy this money monopoly, and thereby destroy, also, its offspring of excessive interest.

What! The Government manufacture and issue money to the people!!

Certainly. Revolutionary, is it? Let us see. Why, the Government is doing that very thing every day to certain favored classes of our fellow-citizens. For instance, to our fellow-citizens who were fortunate

enough to have Government bonds, and with them organized national banks, the Government gives currency at the rate of ninety dollars for every one hundred dollars, par value, of bonds deposited in the Treasury, and charges them only one per cent. per annum for the currency.

Then, to our fellow-citizens who are in the whiskey business, the Government is also gracious. All over the country, the Government has established U. S. bonded warehouses, into which the distillers can roll the products of their distilleries, and as long as it remains there, the Government carefully guards the *valuable* goods, and does not ask the distillers for the ninety cents per gallon tax they ought to pay in cash, but gives them time to pay it!! The credit of the Government of the United States loaned to the whiskey business!!!

Then, in similar manner, the importer of foreign goods who cannot or does not want to pay import duties in cash, can place his goods in bonded warehouses, until he gets ready to pay the duties, and take them out to be sold in competition with the goods of American manufacture. Thus the credit of the Government is loaned to foreigners to destroy American industry.

Think you, that if the Government can issue currency to the holders of Government bonds, and give credit to whiskey distillers and foreign importers, it is unfair for the same privileges to be extended to American farmers, miners, manufacturers and producers? If you are the owner of a Pennsylvania farm worth at least \$10,000, free and unincumbered, why should you be denied the privilege of getting currency from the Government on the security of your farm, while your neighbor, who has no farm, but has \$10,000 in bonds, can, by associating with others with like investments, organize a bank, and get \$9000 in currency from the Government? Is that fair? Is it right? Why should you not have this privilege as well as your neighbor?

But not only has the principle thus stated been already recognized and adopted in a limited way by the Government, but the Secretary of the Treasury, in his report, December, 1889, recommends its further application, as follows:—

“Issue Treasury notes against deposits of silver bullion, at the market price of silver when deposited, payable on demand in such quantities of silver bullion as will equal in value, at the date of presentation, the number of dollars expressed on the face of the notes at the market price of silver, or in gold, at the option of the Government; or in silver dollars, at the option of the holder. Repeal the compulsory feature of the present coinage act.”

If “Treasury notes” can be issued against deposits of silver bullion, why not against ingots of copper, or lead, or tin, or pig iron, or against the security of farm lands and other property?

COST OF PROPOSED CURRENCY.

If, then, the principle of issuing money—a full legal tender—direct from the Government to the people is admitted to be a correct one, what, then, would be the cost of the material, the cost of the manufacture, and the cost of the distribution of such a currency?

Under our present national banking system, the only banks permitted to issue circulating notes are the national banks. The banks incorporated under the laws of the various States are forbidden to issue such notes. There is at Washington, D. C., a Comptroller of the Currency, who has charge of the entire system; and he has a full force of assistants, clerks, and traveling examiners. All notes are printed by the Government, and delivered free to the banks; but the banks pay a tax of one per cent. per annum on their outstanding circulation.

In 1888, I wrote to the Comptroller of the Currency at Washington, D. C., for official figures showing the cost of the maintenance of the system, and of the manufacture and distribution of the national currency. He promptly replied, and sent me a copy of his report, referring me to certain pages therein for the desired information.

From this official report I have compiled these figures:—

Expenses of manufacturing, distributing and redeeming national currency for one year:—

For special dies, plates, printing, &c.....	\$31,454.10
For salaries.....	97,653.00
For salaries, reimbursable by national banks.....	15,047.97
For redemption of notes.....	138,967.00
For examiners' fees.....	110,219.88
For new plates.....	18,850.00
Total.....	\$412,191.95

In the same report, the national banks reported their outstanding circulation during the year, at the date of their quarterly reports, to be:—

December 28th, 1886.....	\$202,078,287
March 4th, 1887.....	186,231,498
May 13th, 1887.....	176,771,539
August 1st, 1887.....	166,625,658
October 5th, 1887.....	167,283,343

Average for the year.....\$177,798,065

The cost, therefore, of the manufacture and distribution of this currency was just twenty-three cents on every one hundred dollars—not one-quarter of one per cent. per annum.

The tax now paid by the national banks on their circulation is one per cent. per annum; but the Comptroller of the Currency, in his annual report, December, 1889, advocates the reduction of this tax to one-quarter of one per cent. per annum; and he says (page 18):—

“The reduced rate of duty would produce a sum in excess of the expenditures made by the general Government on account of the banks.”

THE TRUE RATE OF INTEREST.

That, then, ought to be the interest rate to be paid by the people of the United States for the use of money—of currency—of measures of value—of exchangeable representatives of their own property.

How, then, can interest be limited to this rate?

Not by the enactment of severe laws against usury, for in times of financial stringency, such laws are evaded by many clever subterfuges, easily invented by quick-witted money-lenders. Such laws do not reach the root of the evil. What is necessary to be done, is to remedy or remove the false system which produces the evil, and then the curse of high interest, the inevitable result of the present system, will not exist, and therefore usury laws will not be needed.

Interest must cease to be a subject of arbitrary, variable and often compulsory contract. It must be reduced to its actual cost, and thus be uniform and certain. As the yardstick and the bushel, as measures of length and of quantity, are sold to all who desire them, and can pay for them, for their actual cost of manufacture and distribution, so must the currency—the measure of value—be sold for the actual cost of manufacture and distribution; and, when that is done, the question of interest will regulate itself without the assistance of any arbitrary usury laws.

But how can this object be attained?

By destroying the monopoly of money and making money free.

This can be readily accomplished by such legislation by Congress as will give *free money to a free people*.

Legislation is needed which will make money free by issuing currency—legal tenders—to every citizen who can give the requisite security—say, twice the amount of the loan in productive real estate; such loans to be so carefully made that the Government would be absolutely safe; the borrowers to pay a rate of interest for such currency, not exceeding the cost of its manufacture and distribution—probably one-half of one per cent. per annum, but certainly not exceeding one per cent. per annum; these legal tenders to be convertible at any time into bonds bearing interest at same rate as the Government would receive for its currency; and these bonds, at any time, to be again convertible into legal tender notes.

This would not be an irredeemable, "flat" currency, but every dollar of it would represent real value.

Under such a system there could be no "depleted monetary condition in the business of the country." If the Government received more money from its revenues than it required for expenditures, the surplus could not hurt the business of the country.

If money was scarce, the owners of property could then easily get convertible representatives of value—currency—from the Government on the security of their property, as the national banks now do on their deposits of bonds; while, if money was plenty, the holders of currency could easily convert it into convertible bonds, bearing interest.

DETAILS OF THE PROPOSED SYSTEM.

The machinery of the system—if it might be so called—would be about as follows:—

1. There should be created in the Treasury Department at Washington, D. C., a Bureau, to be styled the "Bureau of Convertible National Currency," to be managed by a superintendent, with all necessary assistants: this bureau to have entire charge of the manufacture and distribution of the currency, and the maintenance of the system.

2. There should be in each Congressional district in the United States, an assistant or district superintendent of the currency; a board of three appraisers; a solicitor; a bonded warehouse, for the storage of imperishable property, such as gold and silver bullion, copper, iron, etc.

3. Under such a system, when any citizen, who owned proper real estate or imperishable personal property, desired currency, he would make application to the assistant superintendent of the Congressional district in which the property is located; such application for loan to be made upon blanks to be prescribed and furnished by the Government.

4. The application for loan would then be referred to the District Board of Appraisers, whose duty it would be to personally examine the property, and make a sworn report to its actual cash value.

5. When the application is approved by the Appraisers, then the title to the property should be examined by the Solicitor.

6. The application having been approved by the District Superintendent, the Appraisers and the Solicitor, should then be forwarded to the Superintendent at Washington, D. C.

7. When the application is finally approved at Washington, the Superintendent would order a mortgage to be drawn up, to be signed by the applicant; the terms of the mortgage to be as follows:—The mortgage to run for an indefinite number of years—that is, that the loan may remain in force as long as may be desired by the applicant, the Government having no right to call in the loan, or to foreclose the mortgage, except for non-payment of interest or taxes; but the applicant should have the right to pay the mortgage at any time with convertible notes; the mortgage to bear interest at one per cent. per annum, payable semi-annually by the borrower at the office of the District Superintendent from whom the loan was obtained.

8. The convertible national currency notes to be issued under this system should be a full legal tender, receivable for all debts, public and private; and should be receivable, also, at all times, in sums of fifty dollars or multiples thereof, for convertible bonds, certificates of deposit, or indebtedness of the United States. These bonds should bear interest, payable semi-annually, at the same rate which the Government would receive for the convertible notes. These bonds, also, should, at any time, at the option of the holder, be convertible again into convertible notes; and such bonds should be free from all Government, State, or local taxation.

HOW THE BUSINESS SHOULD BE CONDUCTED.

Of course, the Government ought to conduct this financial system with no purpose of making profits; but rather to conduct it like the postal service, to furnish a sound and abundant currency at the lowest possible cost to the people. One per cent. per annum would probably be the maximum cost, while it is likely that the rate would not exceed one-half of one per cent.

Under such a system as we have outlined, of course, every man whose property is now covered by a mortgage, and who is now groaning under the weight of his interest burden, would try to lessen that burden

by getting currency from the Government, and paying off his present mortgage debts. Not all could do so; some, because the mortgage cannot be paid until its maturity; and others, because the security they would offer would not be regarded as satisfactory by prudent Government officers.

Then, again, miners and manufacturers would deposit their bullion and goods in the bonded warehouses of the Government, and obtain currency from the Government on the security of these deposits.

Let us suppose, then, that the currency thus to be issued would amount to six thousand millions of dollars (\$6,000,000,000). At one per cent. per annum, the annual interest thereon to be paid by the borrowers would be sixty millions of dollars (\$60,000,000).

What would be the cost of the maintenance of the system? The most liberal estimate would be about as follows:—

Salaries of Superintendent and all necessary clerks and assistants at Washington, D. C.	\$750,000
Printing, engraving, &c.	500,000

DISTRICT EXPENSES.

1 Assistant Superintendent.	\$4,000
3 Appraisers.	7,500
1 Solicitor.	3,000
5 Clerks.	10,000
Traveling expenses, rents, &c.	5,500
Total in each District.	\$30,000
Total in 325 Districts.	\$9,750,000
Total cost.	\$11,000,000

Which would be only eighteen cents on each one hundred dollars of an issue of six thousand millions of dollars—less than one-quarter of one per cent. per annum. Even if the expenses would amount to this sum, and the issue of currency would be only three thousand millions of dollars, the cost of the system would only be thirty-six cents on each one hundred dollars, which would be less than one-half of one per cent. per annum. These figures are liberal. The actual cost will be rather under than over this sum; so that one per cent. per annum will be an ample interest charge.

Such is the outline of the proposed new money system, the establishment of which would destroy the monopoly of money, and make currency attainable and free to every citizen who could give the requisite security.

OBJECTIONS TO THE SYSTEM.

Will there be objections to it?

Oh, yes! Many of them; but none of them well founded. Every non-producer, now living upon the interest forced from the products of industry, will object to it; every man interested in the present system of monopoly will object to it; every capitalist, who, in times of "tight money," adds to his possessions by taking advantage of the necessities

of the impecunious debtors, will object to it; every man who is a sycophant, a paid advocate of the rich and mighty, will object to it; every extortioner, every hater of the poor, every money lord, every speculator, every man who hopes to get gain out of the misfortunes of his fellow-men, will object to this system of *free money for a free people*.

But the people—the great people—the great mass of our sixty millions of population—the producers of the land—they who toil day by day and year by year, to create wealth, and make the country great—they will demand it, and keep on demanding it until it is given to them.

Perhaps some one, who has been thoroughly educated in the belief that gold and silver alone should be the basis of currency and standard of value, may say: "This is financial heresy."

True; but it has happened in times gone by, in the history of the world, that the heretics—the men who have protested against the established order of things—have been right, and that the men who pronounced them as heretics were wrong.

So it may be possible that upon this financial question history may repeat itself, as it has upon other questions. It is not necessary that currency must be of gold or silver. It is a financial fallacy that money must possess intrinsic value. Paper money, when invested by law with the debt-paying power, and secured by productive real property, or valuable imperishable property, is worth as much, as money, as an equal value of gold and silver.

The convertible currency to be issued under this system would not be fictitious credit money—fiat money—because every dollar which would be issued would be secured by at least twice the amount in valuable property; and as the currency would be convertible at any time into bonds bearing interest, there never would be such a surplus of currency as to cause depreciation in value.

SECURITY FOR LOANS.

Should there be any limit to the amount of this currency?

Certainly not. Let every citizen get all the currency he may want, provided he can give the required security. This question of the security to be asked, is an important one. The margin between the amount of the loan and the actual cash value of the property should be so large, that there could not be, in any event, such a depreciation in values as to endanger the security of the loan. Thus, if a farm is worth in cash \$10,000, the loan thereon ought not to exceed \$4000; and so, if the miner or manufacturer deposits in the Government warehouse, gold and silver bullion, bars of copper, lead, or iron, etc., worth \$10,000, the loan should not exceed the like ratio of 40 per cent. of market value. Under this system, it would not be necessary for the Government to buy gold or silver, as it does under the existing system; nor would the Government want to buy farms; but its sole duty in this direction would be to furnish to the owners of such property, real and personal, exchangeable representatives of the property which they own, and which they place in the possession or control of the Government for the currency advanced to them.

RESULTS OF THE SYSTEM.

What would be the results of such a system of currency?

First.—There never could be any lock-ups of money, and consequently there would be no panics, and no forced and violent interruptions of trade or industry, *because the monopoly of money would be destroyed.*

Second.—There would be no necessity for usury laws, for when every citizen, who could furnish the requisite security, could get permanent loans from the Government, at not exceeding one per cent. per annum, there would be no reason that he should pay a higher rate to an individual.

Third.—There would be no money panics, with their consequent distress, disasters, and destruction of values. As there could be no foreclosures, except for non-payment of interest and taxes, there would be but few forced sales, and the occupation of the sheriff, in that direction, would be gone.

Fourth.—As there would no longer be such monstrous accumulative power in money, the holders of money, who now are seeking investments which pay large interest, would then turn to industrial enterprises to receive, if possible, from them a greater return than one per cent. per annum for their money.

Fifth.—As more money would thus be invested in many new industrial enterprises, and in the development of the resources of the country, more laborers in every department of industrial activity would find employment.

Sixth.—As the army of the unemployed would thus be lessened, the wages earned by the increased number of employees would largely increase the consumption of, and demand for, every description of manufactured and agricultural products, so that the cry of over-production would soon cease to be heard.

Seventh.—As any citizen who could give the proper security could easily obtain convertible currency from the Government, many more new industrial enterprises would be started, and thus the demand for labor be largely increased.

Eighth.—As interest on money would be decreased to a rate not exceeding one per cent., so, too, would rents decrease, and thus the renter would have a lesser amount of his income absorbed by rent, and would, therefore, have a larger amount of the product of his labor remaining, with which to provide for his present wants, or to procure a home.

Ninth.—The debtors of the land would at once be relieved from their enormous *Interest Burden*, and retain in their own possession that large portion of the products of their industry now taken from them for the payment of interest.

Thus, the men who, to-day, owe on mortgage and to the banks, twelve thousand millions of dollars, on which they pay annually seven hundred and twenty millions of dollars as an interest charge, would then pay on the same debt, if they borrowed the currency from the Government, only one hundred and twenty millions of dollars—a clear saving each year of *six hundred millions of dollars*. So, at that rate, in twenty years, these same debtors—the farmers and producers—could save enough

out of their present interest payments to pay off the entire principal of their debts, and be *free*.

Is not that worth an effort? What say you, farmers? Would it not be a desirable thing to have this burden of interest removed from the farmers of America?

Tenth.—Under this new system such an impetus would be given to industrial activity and production, as neither this country nor the world ever before has seen, and, then, with industry free from the monopoly of money, and receiving its fair share of its own productions, would the whole people, through all the land, be, as they rightfully ought to be, happy and prosperous, and capital and labor, no longer warring against each other, would assume their just relations to each other, each receiving its just share of their united efforts and productions.

Eleventh.—Such a system would go far towards removing or preventing the evil conditions of the present to which I have called your attention.

1. There would be few unemployed men who want work.
2. There would be but a small portion of our population suffering for the necessities of life because they cannot get work.
3. Wages would be increasing instead of decreasing.
4. There would be less discontent among the industrial classes.
5. The values of farm and other property would increase instead of decreasing as now.
6. Farming would again become a profitable industry.
7. Indebtedness of individuals and communities would decrease.
8. Financial failures would decrease in number.
9. There could be no possible contraction of the currency.
10. Great fortunes could not be accumulated so rapidly but wealth would be more evenly distributed than now.
11. Crime would decrease because poverty and temptation to crime would be lessened.

HOW TO ESTABLISH THE SYSTEM.

But what shall be done to establish such a system? The remedy is in the hands of the sovereign people. Thank God! that this is a government "of the people, by the people, and for the people," and that all political power is in their hands. Therefore, let the people everywhere demand the new system; send in petitions by the hundred, and by the thousand, to the Senators and members of Congress at Washington, asking for such legislation; send to Congress only such men as will favor, work, and vote for such a system; and then it will soon be established.

Will you help in this work? Will you help to free our land from this *great interest burden*? You can help. I have prepared petitions to Congress, praying for the issue of such currency. I will gladly give copies of the petition to any person who will aid in their circulation, and obtain signers thereto.

I plead for these money slaves—for these toilers who have produced the wealth of the land—for the farmers, struggling under great burdens, and with scarcely a hope for the future. These toilers deserve the re-

wards of their labor, and they ought to be the pride of the land, and should receive the fullest protection of just laws.

"The noblest men that live on earth,
Are men whose hands are brown with toil;
Who, backed by no ancestral graves,
Hew down the woods and till the soil;
And win thereby a prouder name
Than follows king's or warrior's fame.

"The workingmen, whate'er their tasks,
Who carve the stone or bear the hod,
They wear upon their honest brows
The royal stamp and seal of God;
And worthier are their drops of sweat
Than diamonds in a coronet."

For these I plead; and for these sons and daughters of toil in all our broad land I ask you to-night to resolve to do all you can to destroy this false system, which is impoverishing the great mass of our people; and, for their sake, and for the sake of this free government and its institutions, I ask you to do all you can to aid in the establishment of the new system which I have presented to you to-night.

One of the greatest glories of our nation is that we have removed from among us the great sin of American slavery; but a greater glory yet will be when we remove the greater sin of *money slavery*, and free from their grievous burdens the millions of toiling producers in our land.

God grant the day may soon come; and it is coming; for the minds of the people are being more and more enlightened upon economic questions; the spirit of investigation is abroad, and reform is coming; it is in the air; it is making itself felt in every direction; before its advancing steps, wrong is retreating; the right is moving steadily onward; and the coming good day is beginning to dawn—

"As the sun,
Ere it is risen, sometimes paints its image
In the atmosphere; so, often, do the spirits
Of great events stride on before their coming,
And in to-day already walks to-morrow."

So the day is not far distant when we will have *free money for a free people*; and when there will be no longer in all this land an *Interest Burden*.

Copy of a petition to Congress which indicates the line of argument in the lecture on "The Interest Burden."

To the Honorable, the Senate and House of Representatives of the United States:

The petitioners, whose names are hereto subscribed, respectfully represent:

1. That they are citizens of the County of....., and State of.....
2. That they, in common with their fellow citizens, of other States, observe with feelings of anxiety and alarm, the continued shrinkage in the values of farm property, the increasing unprofitableness of the business of farming, the rapid concentration of the wealth of the country in the hands of a few capitalists, the increasing number of mercantile and manufacturing failures, the increase of pauperism and crime, and the great number of unemployed men in all parts of the land.
3. That they regard the great accumulative power of money, by reason of prevailing interest rates, to be one of the chief causes producing this disastrous condition of affairs.
4. That they believe that the establishment of a system of FREE MONEY would, to a great extent, remedy these evils, and prevent their recurring in the future.
5. That, therefore, your petitioners pray that the Congress of the United States immediately enact necessary laws to establish in the Treasury Department, at Washington, D. C., a Bureau of Convertible National Currency, for the purpose of furnishing a full legal tender currency to all citizens of the United States who can give proper security therefor, at a charge not exceeding one per cent. per annum, or the cost of material, cost of manufacture, cost of the distribution of the currency, and cost of the maintenance of the system.

And your petitioners will ever pray, etc., etc.

A copy of this petition will be sent free to any one who will circulate it and obtain signatures thereto. Address,

Luther S. Kauffman,

Attorney-at-Law,

Rooms 35 and 36,
No. 1326 CHESTNUT STREET,
PHILADELPHIA, PA.

Important to Incorporated Companies.

The attention of the Managers and Secretaries of Incorporated Companies everywhere is respectfully called to the valuable Books for Corporations, described as follows:

*More than Five Hundred Companies are Now
using these Books.*

It is very important to every company that its records and official documents should be kept in a compact form, easily attainable at any time. This is accomplished by the use of

Kauffman's Improved Form of Record Book.

Not less important to every company is the proper and accurate record of the issue and transfer of the Capital Stock of the Company. This can be done by using

KAUFFMAN'S IMPROVED FORM OF Stock Register, Stock Ledger and Transfer Book.

By the use of these Books, the records of the issue and transfer of stocks is so perfectly kept that the over-issue of stock becomes almost impossible.

SPECIAL NOTICE.

1. When desired, any of these forms will be specially bound to order, with as many pages in each book as may be wanted. Special prices will be named for such books.

2. These books are uniformly bound in two styles:

Style No. 1, in cloth, with leather back and corners.

Style No. 2, in full leather.

When nothing is said in order as to which style is desired, Style No. 1 will be sent.

3. The pages in these books are of uniform size, 8½ by 14 inches.

4. Specimen sheets are not sent out, because they cannot give any fair idea of the books.

5. Any or all of the books described in this circular will be sent to any address, for examination, provided the party to whom addressed will pay express charges from and to Philadelphia, Pa.

No. 1.

Record Book.

This is a book of 200 pages. It has special pages, properly ruled, for copies of certificates of incorporation and other official certificates and statements; for subscriptions to capital stock; for By-Laws and amendments thereto; for minutes of meetings of stockholders, and of directors. Thus, in one book, all these records of the company are easily found at any time.

Price in Cloth, \$4.00; in Leather, \$5.50.

No. 2.

Stock Register.

This is a book of 200 pages. It is designed to present a complete history of every certificate of stock which may be issued by the Company. It is ruled and numbered for one thousand certificates.

Price in Cloth, \$4.00; in Leather, \$5.50.

No. 3.

Stock Ledger.

This is a book of 200 pages. It is so ruled that it gives a complete history of the issue and transfer of the certificates of stock issued by the Company; at the same time it gives in ledger form, the number, date, etc., of the shares held by each stockholder. At a glance, the entire ownership of the stock can be seen.

Price in Cloth, \$4.00; in Leather, \$5.50.

No. 4.

Transfer Book.

This is a book of 200 pages. It is a companion Book to the Stock Ledger and Stock Register. It is designed for the legal transfer, "on the books of the Company," of the certificates of Stock issued by the Company. It contains blanks for six hundred transfers.

Price in Cloth, \$4.00; in Leather, \$5.50.

No. 5.

Combined Book, No. 1.

This is a book of 300 pages. It is a combination of the Record Book, Stock Ledger and Transfer Book; one hundred pages being given to each book. These *three* books are thus bound together for the use of small companies.

Price in Cloth, \$6.50; in Leather, \$8.00.

No. 6.

Combined Book, No. 2.

This is a book of 400 pages. It is a combination of the Record Book, Stock Register, Stock Ledger and Transfer Book; one hundred pages being given to each book. These *four* books are thus bound together for the use of small companies.

Price in Cloth, \$8.50; in Leather, \$10.00.

No. 7.

Dividend Book.

This is a book of 200 pages. It is specially ruled so as to show the dividends declared and paid, with signatures of parties to whom payments are made.

Price in Cloth, \$4.00; in Leather, \$5.50.

No. 8.

Improved Day Book

For the use of Incorporated Companies and Private Firms.

This book is issued in two sizes: the one containing 200 pages, and the other 400 pages. The method of keeping accounts in this book is fully described in the Manual for Book-keepers.

Price, Small Size A, in Cloth, \$4.00.

" " "A, in Leather, 5.50.

" Large Size B, in Cloth, 6.50.

" " "B, in Leather, 8.00.

No. 9.

Kauffman's Manual for Book-keepers.

This Book gives full instructions for the use of the preceding books (except the Stock Register). It also gives clear and simple forms for keeping other accounts of companies and private firms in general business.

Price, \$1.50.

No. 10.

Combined Book, No. 3.

This is a book of 300 pages. It is a combination of the Stock Register, Transfer Book and Stock Ledger; one hundred pages being given to each book. These *three* books are thus bound together in one book for the use of small companies, or for banks and other companies who now have Record or Minute Books.

Price in Cloth, \$7.00; in Leather, \$8.50.

Some Companies buy the Single Record Book (Book No. 1), and the Combined Book, No. 3 (Book No. 10). This makes a very excellent set of books for any Company.

No. 11.

Improved Ledger,

For the use of Corporations and Private Firms.

This book is issued in two sizes: A and B. Size A containing 200 pages, and Size B 400 pages. This form of Ledger shows at any time the balances to debit or credit of the account.

Price, Size A, in Cloth, \$4.00.

" "A, in Leather, 5.50.

" Size B, in Cloth, 6.50.

" Size B, in Leather, 8.00.

No. 12.

Real Estate Register,

For the use of Incorporated Companies and Real Estate Agents.

This is a book of 200 pages, and is so ruled as to give a complete record of sales of Real Estate.

Price in Cloth, \$6.00; in Leather, \$7.50.

Send all Orders to

LUTHER S. KAUFFMAN,

Attorney-at-Law,

Room 35—No 1326 Chestnut St.,

PHILADELPHIA, PA.

Dairymen's National Protective Association

Office, Room 35, No. 1326 Chestnut Street.

PHILADELPHIA, PA.

DIRECTORS:

JOHN I. CARTER, Chatham, Chester Co., Pa.

CHARLES P. DARLINGTON, Chadds Ford, Chester Co., Pa.

JOSEPH H. BROSIUS, Octorara, Lancaster Co., Pa.

E. L. McSPARRAN, Goshen, Lancaster Co., Pa.

EASTBURN REEDER, New Hope, Bucks Co., Pa.

GARRETT BROWNBACK, Linfield, Montgomery Co., Pa.

WILLIAM H. YOUNG, Pottstown, Montgomery Co., Pa.

W. D. EDSON, 112 Dock Street, Philadelphia, Pa.

JOHN S. PATTERSON, 8 S. Water Street, Philadelphia, Pa.

SAMUEL S. SWARTLEY, 11 S. Water Street, Philadelphia, Pa.

JOHN TRUMBAUER, 426 S. Second Street, Philadelphia, Pa.

OFFICERS:

President, HON. WILLIAM H. YOUNG, Pottstown, Pa.

Vice-President, one for each State.

" " *for Pa.,* R. H. THOMAS, Mechanicsburg, Pa.

" " *for N. J.,* ROBERT LACEY, Camden, N. J.

" " *Delaware,* E. W. DAWSON, Newark, Del.

" " *N. Y.,* J. H. VAN VALKENBURGH, N. Y.

Secretary, SAMUEL S. SWARTLEY, 11 S. Water St., Phila.

Asst. Secretary, EASTBURN REEDER, New Hope, Pa.

Treasurer, JOHN TRUMBAUER, 426 S. Second St., Phila.

Counsel, LUTHER S. KAUFFMAN,

Rooms 35 and 36, No. 1326 Chestnut St., Phila.

HON. WAYNE MACVEAGH,

Ex-Attorney General of the United States,

Bullitt Building, Philadelphia, Pa.

The objects of this Association are to secure the enactment and enforcement of such National and State legislation as will effectually restrain and prohibit the manufacture and traffic in Oleomargarine and other imitations and adulterations of butter and other dairy products; and to do whatever may be necessary to encourage and promote the manufacture and traffic in pure dairy products.

Any person interested in the objects of this Association may become a member by contributing a sum of not less than ten dollars per annum.

Any Society or Association may become a member of this Association by paying a sum not less than Twenty-Five Dollars per annum: and every such Society or Association shall be then entitled to be represented by five representatives at any meeting of this Association.

Every Creamery and producer of pure butter in the United States should become a member of this Association. Write to the office of the Association, Room 35, No. 1326 Chestnut Street, Philadelphia, Pa., for circulars and for any information which may be desired.

The Dairymen's National Protective Association is now sending to every part of the United States for signature blank petitions to Congress, asking for the enactment of a law permitting the several States to legislate on the subject of Oleomargarine.

The Hiscock Bill, introduced in the last Congress, but which was not passed because crowded out by other business, is as follows :

SENATE BILL No. 3911.

CALENDAR No. 2157.

A BILL.

*Subjecting Oleomargarine to the Provisions of the laws
of the Several States.*

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that no State shall be held to be limited or restrained in its power to prohibit, regulate, control, or tax the sale, keeping for sale, or the transportation, as an article of commerce or otherwise, to be delivered within its own limits, of oleomargarine, as defined by section 2 of chapter eight hundred and Forty of the laws of the Forty-Ninth Congress, by reason of the fact that the same has been imported into such State from beyond its limits, whether there shall or shall not have been paid thereon any tax, duty, import or excise of the United States.

This Bill, or one of similar character will be introduced next December, as soon as Congress convenes and is ready for business. The Association desires to bring all the pressure possible to bear on the Senators and Members of the House to secure the immediate passage of the Bill.

All friends of pure dairy products are requested to aid in obtaining signatures to these petitions.

If this Bill is promptly passed by Congress, it will destroy the last hope of the dealers in Oleomargarine in the States where prohibitory laws now exist.

For any further information desired on this subject please write to

Luther S. Kauffman,

Attorney for

Dairymen's National Protective Association.

ROOMS 35 AND 36,
No. 1326 CHESTNUT STREET,
PHILADELPHIA, PA.

MSH 22149

**END OF
TITLE**